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EXAMINER

BROWN, TIMOTHY M

ART UNIT

PAPER NUMBER

3625

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Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	09/476,674	AARNIO, ARI
	Examiner	Art Unit
	Tim Brown	3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 05 May 2003.

2a) This action is FINAL. 2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-8 and 10-23 is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) Claim(s) _____ is/are allowed.

6) Claim(s) 1-8 and 10-23 is/are rejected.

7) Claim(s) _____ is/are objected to.

8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11) The proposed drawing correction filed on _____ is: a) approved b) disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.

12) The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

13) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All b) Some * c) None of:

1. Certified copies of the priority documents have been received.

2. Certified copies of the priority documents have been received in Application No. _____.

3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

14) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).

a) The translation of the foreign language provisional application has been received.

15) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

1) Notice of References Cited (PTO-892)

2) Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____

4) Interview Summary (PTO-413) Paper No(s). _____

5) Notice of Informal Patent Application (PTO-152)

6) Other: _____

DETAILED ACTION

1. This non-final Office action is responsive to Applicant's amendment mailed May 5, 2003.

Continued Examination Under 37 CFR 1.114

2. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on May 5, 2003 has been entered.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.
4. Claims 1, 6, 10 and 15-17 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.
5. Each of claims 15-17 recites "wherein the user-specific information comprises . . . other information related to the user." This language renders the scope of the claim indefinite because it fails to inform one skilled in the art the what type of user specific information the claim is directed to. Appropriate correction is required.
6. Regarding claims 1, 6 and 10, Applicant states the connection between the subscription server and the cellular telephone network is indeterminate. See Paper No.

7, p. 14 (see also *infra*). Applicants also state there *may* be no less than three different connection means recited by claims 1, 6 and 10. Therefore, claims 1, 6 and 10 fail to particularly point out and distinctly claim Applicant's invention. Appropriate correction is required.

Claim Rejections - 35 USC § 103

7. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.
8. **Claims 1, 16, 20, 5, 6, 8, 17 and 18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert (Lambert, P. "FCC puts satellite DAB plan up for comment" Broadcasting, Vol. 122, no. 43 (October 19, 1992) p. 28) in view of Rothblatt (Rothblatt, M. "Talking stars and talking cars" Satellite Communications, Vol. 14, no. 6 (June 1990) p. 12) and further in view of Foladare et al. (U.S. Pat. No. 5,819,160).**

Regarding claims 1 and 6, Lambert teaches a method of providing an on-line subscription service to a user of a mobile terminal on a cellular telephone network, comprising the steps of:

subscribing, by the user, to the on-line subscription service by interacting with a subscription server; and transmitting a digitally formatted product to the mobile terminal.

Lambert does not expressly teach *transmitting to the mobile terminal at predetermined time intervals and without user action an offer to download a digitally formatted product, transmitting from the mobile terminal via the cellular network a response indicating whether the user wishes to accept the offer to download the digitally*

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formatted product, and transmitting the digitally formatted product to the mobile terminal if the user accepts the offer to download the digitally formatted product. However, Rothblatt teaches a method of providing pay-per-listen satellite radio service to a mobile terminal wherein a user receives, via a digital radio, an offer to receive digital music (page 4). Rothblatt's method also teaches having the user accept the offer to receive digital music by transmitting his or her acceptance by punching in a music selection and a personal code (Id.). While both Lambert and Rothblatt both disclose providing a digital product on a pay-per-listen basis, Rothblatt provides greater detail in expressing how to accomplish the pay-per-listen function. Therefore, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert to include Rothblatt's teaching of *transmitting to the mobile terminal at predetermined time intervals and without user action an offer to receive a digitally formatted product, transmitting from the mobile terminal via the cellular network a response indicating whether the user wishes to accept the offer for a digitally formatted product, and transmitting the digitally formatted product to the mobile terminal if the user accepts the offer to receive the digitally formatted product.* This combination would enable user's to implement Lambert's pay-per-listen function through the operation of a cell phone.

Lambert and Rothblatt do not expressly teach subscribing, by the user, to the on-line subscription service *by interacting with a subscription server on the Internet.* However, Foladare teaches permitting a user to subscribe to a service for providing music over a wireless network wherein the user enters his account information over the

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Internet (Fig. 2; col. 2, lines 31-35; col. 5, lines 39-51). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert to include subscribing, by the user, to the on-line subscription service *by interacting with a subscription server on the Internet* in order to provide users with a convenient means for subscribing to a music service.

Rothblatt and Lambert do not expressly teach transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself. However, Foladare et al. teach providing a music service over a wireless network wherein users communicate with a central server, and receive digitally formatted music, via a digital radio wherein the wireless network comprises a cellular telephone network (Fig. 1; col. 3, lines 53-67). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Rothblatt and Lambert to include transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself as taught by Foladare et al. This combination would provide a widely available alternative network for implementing the digital radio service thereby avoiding the prohibitive costs associated with satellite communications.

Regarding claim 5, Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claim 1. Lambert and Foladare et al. do not expressly teach the method of claim 1, *wherein the user accepts the offer to download the digitally formatted product, further comprising the step of: charging the user the price of the digitally formatted product transmitted to the mobile terminal*. However, Rothblatt teaches

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providing a pay-per-listen digital music service wherein users are charged for a digitally formatted product after the user has accepted an offer to receive the digitally formatted product (p. 4). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert and Foladare et al. to include Rothblatt's teaching of *charging the user the price of the digitally formatted product transmitted to the mobile terminal*. This combination would provide a means for generating revenue in exchange for providing a digital product. Note that Lambert suggests implementing the step of charging a price for the digitally formatted product in that Lambert discloses providing digital music on a pay-per-listen basis.

Regarding claims 16 and 17, Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claims 1 and 6. Lambert and Rothblatt do not expressly teach *wherein the step of subscribing by the user further comprises transmitting user-specific information, wherein the user-specific information comprises at least one of the capabilities of said mobile terminal, the preferences of the user, and other information related to the user*. However, Foladare et al. teach a method of subscribing to a music service wherein a user interacts with an Internet server to provide user-specific information, including a subscriber identification code (col. 2, lines 26-37; and col. 5, lines 39-54). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt and Eller et al. to include *wherein the step of subscribing by the user comprises the steps of: transmitting user-specific information, wherein the user-specific information comprises at least one of the capabilities of said mobile terminal, the preferences of the user, and other information*

related to the user. This combination would provide the music subscription service with user identification information thereby enabling the subscription service to maintain the account activity of a plurality of users.

Regarding claim 20, Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claim 16. Lambert, Rothblatt, and Eller et al. do not expressly teach the method of claim 16, *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server.* However, Foladare teaches receiving user-specific information during a subscription process, and transmitting a digital product to a user via a digital radio (col. 2, lines 39-54; and col. 39-67). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, and Eller et al. to include a step *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server* in order to ensure that the user system is capable of supporting the digitally formatted product.

Regarding claim 18, Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claim 17 above. Lambert and Rothblatt do not expressly teach *wherein the offer to download the digitally formatted product is sent to the subscriber user if the digitally formatted product corresponds to the user-specific information stored at the subscription server.* However, Foladare teaches receiving user-specific information during a subscription process, and transmitting a digital

product to a user via a digital radio (col. 2, lines 39-54; and col. 39-67). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert and Rothblatt to include a step *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server* in order to ensure that the user system is capable of supporting the digitally formatted product.

Regarding claim 8, Lambert teaches a system wherein the digitally formatted product comprises at least one of an electronic book, audio material, or video material (page 1, paras. 1, 5, 6, 8 and 9).

9. Claim 10-15 and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert, Rothblatt, Foladare et al. and Eller et al. (U.S. Pat. No. 5,889,860).

Regarding claims 10 and 12, Lambert, teaches a method of providing an on-line subscription service to a user of a mobile terminal, comprising the steps of: subscribing, by the user, to the on-line subscription service; and transmitting to the mobile terminal, a digitally formatted product.

Lambert does not expressly teach *transmitting to the mobile terminal at predetermined time intervals and without user action an offer to download a digitally formatted product, transmitting from the mobile terminal via the cellular network a response indicating whether the user wishes to accept the offer to download the digitally formatted product, and transmitting the digitally formatted product to the mobile terminal if the user accepts the offer to download the digitally formatted product.* However,

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Rothblatt teaches a method of providing pay-per-listen satellite radio service to a mobile terminal wherein a user receives, via a digital radio, an offer to receive digital music (page 4). Rothblatt's method also teaches having the user accept the offer to receive digital music by transmitting his or her acceptance by punching in a music selection and a personal code (Id.). While both Lambert and Rothblatt both disclose providing a digital product on a pay-per-listen basis, Rothblatt provides greater detail in expressing how to accomplish the pay-per-listen function. Therefore, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert to include Rothblatt's teaching of *transmitting to the mobile terminal at predetermined time intervals and without user action an offer to receive a digitally formatted product, transmitting from the mobile terminal via the cellular network a response indicating whether the user wishes to accept the offer for a digitally formatted product, and transmitting the digitally formatted product to the mobile terminal if the user accepts the offer to receive the digitally formatted product.* This combination would enable user's to implement Lambert's pay-per-listen function through the operation of a cell phone.

Lambert and Rothblatt do not expressly teach subscribing, by the user, to the online subscription service by *interacting with a subscription server on the Internet.* However, Foladare teaches permitting a user to subscribe to a service for providing music over a wireless network wherein the user enters his account information over the Internet (Fig. 2; col. 2, lines 31-35; col. 5, lines 39-51). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify

Lambert to include subscribing, by the user, to the on-line subscription service by interacting with a subscription server on the Internet in order to provide users with a convenient means for subscribing to a music service.

Rothblatt and Lambert do not expressly teach transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself. However, Foladare et al. teach providing a music service over a wireless network wherein users communicate with a central server, and receive digitally formatted music, via a digital radio wherein the wireless network comprises a cellular telephone network (Fig. 1; col. 3, lines 53-67). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Rothblatt and Lambert to include transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself as taught by Foladare et al. This combination would provide a widely available alternative network for implementing the digital radio service thereby avoiding the prohibitive costs associated with satellite communications.

Still regarding claims 10 and 12, Lambert, Rothblatt and Foladare et al. do not expressly teach *wherein the user can access a preview portion of the at least a portion of the digitally formatted product, and if the transmitted at least a portion of the digitally formatted product does not comprise the entire digitally formatted product and the user indicates a desire to purchase the digitally formatted product, transmitting the remaining portion of the digitally formatted product to the mobile terminal*. However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is

permitted to sample a non-encrypted portion of the score (Abstract). If the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include the teachings of Eller et al. This combination would add value to the subscription service by enabling subscribers to make a purchasing decision after sampling the digitally formatted product.

Regarding claim 11, Lambert, Rothblatt, Foladare et al. and Eller et al. teach all the limitations discussed under claim 10. Lambert, Rothblatt and Foladare et al. do not expressly teach *wherein the transmitted at least a portion of the digitally formatted product is the entire digitally formatted product, and the step of transmitting the offer and the at least a portion of the digitally formatted product comprises the step of transmitting a gateway lock to the mobile terminal, wherein although the user can access the preview portion of the digitally formatted product, the gateway lock prevents the user from accessing the remaining portion of the digitally formatted product.* However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is permitted to sample a non-encrypted portion of the score (Abstract). If the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et

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al. to include the teachings of Eller et al. This combination would enable users to sample a digitally-formatted product thereby promoting the sale of the digitally-formatted product.

Regarding claim 13, Lambert, Rothblatt, Foladare et al. and Eller et al. teach all the limitations discussed under claim 11. Lambert, Rothblatt and Foladare et al. do not expressly teach the further step of *if the user indicates a desire to purchase the digitally formatted product, transmitting a decoding message for unlocking the gateway lock to the mobile terminal so that the user may access the entire digitally formatted product.* However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is permitted to sample a non-encrypted portion of the score (Abstract). If the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include the limitations recited in claim 13 as taught by Eller et al. This combination would enable users to sample and then purchase a digitally formatted product.

Regarding claim 14, Lambert, Rothblatt, Foladare et al. and Eller et al. teach all the limitations discussed under claim 11. Lambert, Rothblatt and Foladare et al. do not expressly teach:

wherein the step of transmitting the offer and the at least a portion of the digitally formatted product further comprises the step of:

transmitting an access code to the mobile terminal, wherein the access code unlocks the remaining portion of the digitally formatted product, wherein the user uses the access code to indicate that the user wishes to purchase the digitally formatted product by unlocking the remaining portion of the product;

wherein the step of transmitting from the mobile terminal to the subscription server a response indicating whether the user wishes to purchase the digitally formatted product comprises the steps of:

transmitting a message to the subscription server notifying the subscription server either i) that the user has, or ii) that the user has not, unlocked the remaining portion of the digitally formatted product using the access code.

However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is permitted to sample a non-encrypted portion of the score (Abstract). If the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). Information relating to the transaction is then stored in a database (col. 6, lines 36-40). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include the limitations of claim 14 as taught by Eller et al. This combination would enable users to purchase a digitally formatted product after sampling it. Another benefit of the combination would be to provide a ledger for documenting the financial details of purchase transactions.

Regarding claim 15, Lambert, Rothblatt, Foladare et al. and Eller et al. teach all the limitations discussed under claim 10. Lambert, Rothblatt and Eller et al. do not expressly teach *wherein the step of subscribing by the user comprises transmitting user-specific information, wherein the user-specific information comprises at least one of the capabilities of said mobile terminal, the preferences of the user, and other information related to the user.* However, Foladare et al. teach a method of subscribing to a music service wherein a user interacts with an Internet server to provide user-specific information, including a subscriber identification code (col. 2, lines 26-37; and col. 5, lines 39-54). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt and Eller et al. to include Foladare's teaching of *wherein the step of subscribing by the user comprises transmitting user-specific information, wherein the user-specific information comprises at least one of the capabilities of said mobile terminal, the preferences of the user, and other information related to the user.* This combination would provide the music subscription service with user identification information thereby enabling the subscription service to maintain the account activity of a plurality of users.

Regarding claim 21, Lambert, Rothblatt, Foladare et al. and Eller et al. teach all the limitations discussed under claim 15. Lambert, Rothblatt, and Eller et al. do not expressly teach *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server.* However, Foladare teaches receiving user-specific information during a subscription process, and transmitting a digital

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product to a user via a digital radio (col. 2, lines 39-54; and col. 39-67). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, and Eller et al. to include a step *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server* in order to ensure that the user system is capable of supporting the digitally formatted product.

10. Claim 19 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert, Rothblatt, Foladare et al. and an article from Comline Telecommunications ("Sanyo Develops Cell Phone with Music Download and Playback Function" Comline Telecommunications (August 25, 1999)) ("Comline").

Regarding claim 19, Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claims 1 and 6 above. Neither Lambert, Rothblatt nor Foladare et al. expressly teach *wherein the mobile terminal comprises one of a palm-sized computer, a Personal Digital Assistant, and a cellular telephone*. However, Comline teaches downloading digital music via a cellular phone. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt and Foladare et al. to include *wherein the mobile terminal comprises one of a palm-sized computer, a Personal Digital Assistant, and a cellular telephone* as taught by Comline. The benefit of this combination would be to provide users with another means of receiving digital products on a pay-per-listen basis.

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11. Claims 4 and 7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert, Rothblatt, Foladare et al., Eller et al. and Barber (U.S. Pat. No. 6,349,288).

Regarding claim 4, Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claims 1 and 6. The combination of Lambert, Rothblatt and Foladare et al. does not expressly teach the method of claim 16, *wherein the user-specific information comprises financial information concerning how the user pays for the digitally formatted product*. However, Eller et al. disclose a system and method for distributing digital products on a pay-per-view basis wherein users pay for the digital products by accessing a previously established server institution payment account (col. 6, lines 19-25). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include a step *wherein the user-specific information comprises financial information concerning how the user pays for the digitally formatted product* as taught by Eller et al. This combination would eliminate the burden of having users enter payment information each time a digitally formatted product is purchased.

Further regarding claim 4, Lambert, Rothblatt, Foladare et al. and Eller do not expressly teach the method of claim 16, *wherein the step of transmitting the offer to download the digitally formatted product comprises: transmitting information related to the digitally formatted product, wherein the information related to the digitally formatted product comprises a price of the digitally formatted product*. However, Barber teaches this limitation through its disclosure of a system for distributing digitally formatted

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products on a pay-per-view basis wherein product information, including pricing for digitally formatted products, is displayed to a user (col. 3, lines 19-45). Moreover, the Examiner notes that each of Lambert, Rothblatt and Foladare et al. teach selling digitally formatted products. Thus, each of these references at least suggests modifying its teachings to include Barber's teaching of providing a price for a digitally formatted product. Therefore, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt, Foladare et al. and Eller to include the teachings of Barber in order to communicate a binding offer for the sale of a digitally formatted product.

Regarding claim 7, Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claim 18. Lambert, Rothblatt and Foladare et al. do not expressly teach a step *wherein the user specific information comprises information relating to how the user is to pay for the digitally formatted product*. However, Eller et al. disclose a system and method for distributing digital products on a pay-per-view basis wherein users pay for the digital products by accessing a previously established server institution payment account (col. 6, lines 19-25). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include a step *wherein the user specific information comprises information relating to how the user is to pay for the digitally formatted product as taught by Eller et al.* This combination would eliminate the burden of having users enter payment information each time a digitally formatted product is purchased.

Further regarding claim 7, Lambert, Rothblatt, Foladare et al. and Eller et al. do not expressly teach the system of claim 18, *wherein the means for transmitting the offer to download a digitally formatted product also transmits information related to the digitally formatted product with the offer and the information related to the digitally formatted product comprises a price of the digitally formatted product.* However, Barber teaches this limitation through its disclosure of a system for distributing digitally formatted products on a pay-per-view basis wherein product information, including pricing for digitally formatted products, is displayed to a user (col. 3, lines 19-45). Moreover, the Examiner notes that each of Lambert, Rothblatt and Eller et al. teach selling digitally formatted products. Thus, each of these references at least suggests modifying its teachings to include Barber's teaching of providing a price for a digitally formatted product. Therefore, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt and Foladare et al. to include the teachings of Barber as this combination would communicate a binding offer for the sale of a digitally formatted product.

Still regarding claim 7, Lambert, Rothblatt, Foladare et al. and Barber do not expressly teach a *means for charging the user the price of the digitally formatted product when downloaded by the user.* However, Eller et al. teaches a system for distributing digitally formatted products over a communication network, including a means for processing payment information (col. 6, lines 35-41). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Foladare et al. and Barber to include a *means for charging*

the user the price of the digitally formatted product when downloaded by the user as this combination would provide a means for processing user payment information in connection with a pay-per-listen music service.

12. Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Foladare et al. and Yuhn (U.S. Pat. No. 6,052,440).

Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claim 1. Lambert, Rothblatt and Foladare et al. do not expressly teach wherein if the user accepts the offer to download the digitally formatted product, implementing the further step of: determining whether the mobile terminal is capable of presenting the downloaded digital product, and if so presenting the digitally formatted product, and if the mobile terminal is incapable of presenting the downloaded digital product, transferring the digitally formatted product to a player capable of presenting the digitally formatted product. However, Yuhn teaches performing a system compatibility check prior to transmitting a multimedia data packet to a media terminal (col. 5, lines 1-34; and col. 6, lines 15-21). Yuhn states the benefit of its compatibility check is to insure that the multimedia transmission is played back properly. Thus, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include the teachings of Yuhn in order to insure that the digitally formatted product purchased by the user is capable of being played back properly.

13. Claim 3 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Foladare et al., Yuhn (U.S. Pat. No. 6,052,440) and a

Business Wire Article (“Motorola Investment in Digianswer Boosts Bluetooth and HomeRF Portfolio” Business Wire (October 26, 1999)) (“Motorola”).

Lambert, Rothblatt, Foladare et al. and Yuhn teach all the limitations discussed under claim 2. Lambert, Rothblatt, Foladare et al. and Yuhn do not expressly teach *the method of claim 2, wherein the digitally formatted product is transferred using the Bluetooth protocol, wherein the player capable of presenting the downloaded digitally formatted product comprises one of an electronic book, an audio player, and a multimedia player.* However, Motorola teaches transmitting music between home and mobile electronics using Bluetooth protocol. According to Motorola’s teachings, Bluetooth technology permits data transmission without connecting cables or wires. Therefore, at the time of Applicants invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt, Foladare et al. and Yuhn to include the teachings of Motorola. This combination would permit the digitally formatted product to be received by a mobile unit capable free of the restriction associated with cables and wires.

14. Claim 22 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Foladare et al., Yuhn and Sachs et al. (U.S. 5,956,034).

Lambert, Rothblatt, Foladare et al. and Yuhn teach all the limitations discussed under claim 2. Lambert, Rothblatt, Foladare et al. and Yuhn do not expressly teach *the method of claim 3 wherein the transferred digitally formatted product comprises at least one of text and JPEG image data, and the player comprises a smart display, the*

method further comprising the step of viewing by the user, one or more pages n the smart display as the user depresses sequentially a signaling switch thereon to cause transfer of additional data to the smart display for viewing by the user. However, Sachs et al. teach an electronic publication distribution system wherein a portable view downloads a publication and thereupon enables a user to flip through pages of the publication through the activation of an icon. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Foladare et al. and Yuhn to include the teachings of Sachs et al. This combination would enable the subscription service to distribute electronic publications such as newspapers and magazines.

15. Claim 23 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Foladare et al., and "Adweek" ("Blockbuster Launches Corporate Campaign" Adweek Midwest Edition (June 12, 1995)).

Lambert, Rothblatt and Foladare et al. teach all the limitations discussed under claim 1. Lambert, Rothblatt and Foladare et al. do not expressly teach *the method of claim 1, further comprising the step of transmitting to at least one selected mobile terminal of a non-member of the subscription service, via a cellular telephone network and without action by the non-member, an offer to register with the subscription service.* However, Adweek teaches offering consumers free videos in exchange for signing up for a programming service. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include *transmitting to at least one selected mobile terminal of a non-member of*

the subscription service, via a cellular telephone network and without action by the non-member, an offer to register with the subscription service. This combination would increase revenue by providing users with an incentive to sign up for the subscription service.

Lambert, Foladare et al. and Adweek do not expressly teach transmitting an offer to register with the subscription service including *at least one of i) a list of digitally formatted products, and ii) at least a portion of one digitally formatted product.*

However, Rothblatt teaches transmitting a list of digitally formatted products (p. 4). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Foladare et al. and Adweek to include an offer to register with the subscription service including *at least one of i) a list of digitally formatted products, and ii) at least a portion of one digitally formatted product.* This combination would encourage sales by providing users with an indication of those products the users can obtain for free if they sign up for the subscription service.

16. In the alternative, claims 1, 16, 20, 5, 6, 8, 17, 18, 10-15 and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Rakavy (U.S. Pat. No. 5,913,040), a PR Newswire Article ("Excite@Home Goes Direct to Consumers With Online Sign-Up for High-Speed Broadband Internet Service" PR Newswire (September 22, 1999)) (Excite@Home), Foladare et al. and Eller et al.

Regarding claims 1 and 6, Lambert teaches a method of providing an on-line subscription service to a user of a mobile terminal on a cellular telephone newtwork, comprising the steps of:

subscribing, by the user, to the on-line subscription service; and transmitting a digitally formatted product to the mobile terminal.

Lambert does not expressly teach *transmitting to the mobile terminal an offer to receive a digitally formatted product, transmitting from the mobile terminal via the cellular network a response indicating whether the user wishes to accept the offer to receive the digitally formatted product, and transmitting the digitally formatted product to the mobile terminal if the user accepts the offer to receive the digitally formatted product*. However, Rothblatt teaches a method of providing pay-per-listen satellite radio service to a mobile terminal wherein a user receives, via a digital radio, an offer to receive digital music (page 4). Rothblatt's method also teaches having the user accept the offer to receive digital music by transmitting his or her acceptance by punching in a music selection and a personal code (Id.). While both Lambert and Rothblatt both disclose providing a digital product on a pay-per-listen basis, Rothblatt provides greater detail in expressing how to accomplish the pay-per-listen function. Therefore, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert to include Rothblatt's teaching of *transmitting to the mobile terminal an offer to receive a digitally formatted product, transmitting from the mobile terminal via the cellular network a response indicating whether the user wishes to accept the offer for a digitally formatted product, and transmitting the digitally formatted*

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product to the mobile terminal if the user accepts the offer to receive the digitally formatted product. This combination would enable user's to implement Lambert's pay-per-listen function through the operation of a cell phone.

Assuming, *arguendo*, neither Lambert nor Rothblatt teaches providing an offer *at predetermined time intervals and without user action*, Rakavy overcomes this ostensible deficiency. Rakavy discloses a method and system for transmitting advertisements over a network wherein advertisements are selected based on user-defined preferences, and transmitted to users when a low level of network traffic is detected. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert and Rothblat to include the teachings of Rakavy. Providing users with an offer *at predetermined time intervals and without user action* would provide a means of increasing advertising effectiveness since users will not be desensitized by a constant stream of advertising. Moreover, employing Rakavy's intermittent offer feature would enable the subscription system to make its offers to download music in between songs.

Lambert, Rothblatt and Rakavy do not expressly teach subscribing, by the user, to the on-line subscription service *by interacting with a subscription server on the Internet*. However, Excite@Home teaches subscribing for broadband cable Internet services over the Internet. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Rakavy to include the teachings of Excite@Home. Permitting users to subscribe *by interacting with a subscription server on the Internet* would increase user convenience by enabling

users to register for the subscription service from any remote location having Internet access. Furthermore, performing registration online would enable users to access detailed service information and interactive tutorials.

Lambert, Rothblatt, Rakavy, and Excite@Home do not expressly teach transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself. However, Foladare et al. teach providing a music service over a wireless network wherein users communicate with a central server, and receive digitally formatted music, via a digital radio wherein the wireless network comprises a cellular telephone network (Fig. 1; col. 3, lines 53-67). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblat, Rakavy and Excite@Home to include transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself as taught by Foladare et al. This combination would provide a widely available alternative network for implementing the digital radio service thereby avoiding the prohibitive costs associated with satellite communications.

Assuming, *arguendo*, Lambert, Rothblatt, Rakavy, Excite@Home and Foladare et al. do not teach an offer to *download* a digitally formatted product, Eller et al. satisfy this deficiency by disclosing a music library that offers a number of digitally formatted products for downloading (col. 5, lines 38-65). At the time of Applicants invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Rakavy, Excite@Home and Foladare et al. to include the teachings of Eller et al.

Providing an offer to download the digital product would make it possible for subscribers to develop a library of digitally formatted products.

Regarding claim 5, Lambert, Rothblatt, Foladare et al., Eller et al. Rakavy and Excite@Home teach all the limitations discussed under claims 1 and 6 under paragraph 16. Lambert, Foladare et al., Eller et al. Rakavy and Excite@Home do not expressly teach the method of claim 1, *wherein the user accepts the offer to download the digitally formatted product, further comprising the step of: charging the user the price of the digitally formatted product transmitted to the mobile terminal.* However, Rothblatt teaches providing a pay-per-listen digital music service wherein users are charged for a digitally formatted product after the user has accepted an offer to receive the digitally formatted product (p. 4). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Foladare et al., Eller et al. Rakavy and Excite@Home to include Rothblatt's teaching of *charging the user the price of the digitally formatted product transmitted to the mobile terminal.* This combination would provide a means for generating revenue in exchange for providing a digital product. Note that Lambert suggests implementing the step of charging a price for the digitally formatted product in that Lambert discloses providing digital music on a pay-per-listen basis.

Regarding claims 16 and 17, Lambert, Rothblatt, Foladare et al., Eller et al. Rakavy and Excite@Home teach all the limitations discussed under claims 1 and 6 under paragraph 16. Lambert, Rothblatt, Eller et al., Rakavy and Excite@Home do not expressly teach *wherein the step of subscribing by the user further comprises*

transmitting user-specific information, wherein the user-specific information comprises at least one of the capabilities of said mobile terminal, the preferences of the user, and other information related to the user. However, Foladare et al. teach a method of subscribing to a music service wherein a user interacts with an Internet server to provide user-specific information, including a subscriber identification code (col. 2, lines 26-37; and col. 5, lines 39-54). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt, Eller et al., Rakavy and Excite@Home to include *wherein the step of subscribing by the user comprises the steps of: transmitting user-specific information, wherein the user-specific information comprises at least one of the capabilities of said mobile terminal, the preferences of the user, and other information related to the user.* This combination would provide the music subscription service with user identification information thereby enabling the subscription service to maintain the account activity of a plurality of users.

Regarding claim 20, Lambert, Rothblatt, Foladare et al., Eller et al. Rakavy and Excite@Home teach all the limitations discussed under claim 16. Lambert, Rothblatt, Eller et al. Rakavy and Excite@Home do not expressly teach the method of claim 16, *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server.* However, Foladare teaches receiving user-specific information during a subscription process, and transmitting a digital product to a user via a digital radio (col. 2, lines 39-54; and col. 39-67). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify

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Lambert, Rothblatt, Eller et al. Rakavy and Excite@Home to include a step *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server* in order to ensure that the user system is capable of supporting the digitally formatted product.

Regarding claim 18, Lambert, Rothblatt, Foladare et al., Eller et al. Rakavy and Excite@Home teach all the limitations discussed under claim 17 above. Lambert, Rothblatt, Eller et al. Rakavy and Excite@Home do not expressly teach *wherein the offer to download the digitally formatted product is sent to the subscriber user if the digitally formatted product corresponds to the user-specific information stored at the subscription server*. However, Foladare teaches receiving user-specific information during a subscription process, and transmitting a digital product to a user via a digital radio (col. 2, lines 39-54; and col. 39-67). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Eller et al. Rakavy and Excite@Home include a step *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server* in order to ensure that the user system is capable of supporting the digitally formatted product.

Regarding claim 8, Lambert teaches a system wherein the digitally formatted product comprises at least one of an electronic book, audio material, or video material (page 1, paras. 1, 5, 6, 8 and 9).

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Regarding claims 10 and 12, Lambert, teaches a method of providing an on-line subscription service to a user of a mobile terminal, comprising the steps of: subscribing, by the user, to the on-line subscription service; and transmitting to the mobile terminal, a digitally formatted product.

Lambert does not expressly teach *transmitting to the mobile terminal at predetermined time intervals and without user action an offer to download a digitally formatted product, transmitting from the mobile terminal via the cellular network a response indicating whether the user wishes to accept the offer to download the digitally formatted product, and transmitting the digitally formatted product to the mobile terminal if the user accepts the offer to download the digitally formatted product*. However, Rothblatt teaches a method of providing pay-per-listen satellite radio service to a mobile terminal wherein a user receives, via a digital radio, an offer to receive digital music (page 4). Rothblatt's method also teaches having the user accept the offer to receive digital music by transmitting his or her acceptance by punching in a music selection and a personal code (Id.). While both Lambert and Rothblatt both disclose providing a digital product on a pay-per-listen basis, Rothblatt provides greater detail in expressing how to accomplish the pay-per-listen function. Therefore, at the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert to include Rothblatt's teaching of *transmitting to the mobile terminal at predetermined time intervals and without user action an offer to receive a digitally formatted product, transmitting from the mobile terminal via the cellular network a response indicating whether the user wishes to accept the offer for a digitally formatted*

product, and transmitting the digitally formatted product to the mobile terminal if the user accepts the offer to receive the digitally formatted product. This combination would enable user's to implement Lambert's pay-per-listen function through the operation of a cell phone.

Lambert and Rothblatt do not expressly teach subscribing, by the user, to the on-line subscription service *by interacting with a subscription server on the Internet.* However, Foladare teaches permitting a user to subscribe to a service for providing music over a wireless network wherein the user enters his account information over the Internet (Fig. 2; col. 2, lines 31-35; col. 5, lines 39-51). At the time of the applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert to include subscribing, by the user, to the on-line subscription service *by interacting with a subscription server on the Internet* in order to provide users with a convenient means for subscribing to a music service.

Rothblatt and Lambert do not expressly teach transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself. However, Foladare et al. teach providing a music service over a wireless network wherein users communicate with a central server, and receive digitally formatted music, via a digital radio wherein the wireless network comprises a cellular telephone network (Fig. 1; col. 3, lines 53-67). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Rothblatt and Lambert to include transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself as

taught by Foladare et al. This combination would provide a widely available alternative network for implementing the digital radio service thereby avoiding the prohibitive costs associated with satellite communications.

Still regarding claims 10 and 12, Lambert, Rothblatt and Foladare et al. do not expressly teach *wherein the user can access a preview portion of the at least a portion of the digitally formatted product, and if the transmitted at least a portion of the digitally formatted product does not comprise the entire digitally formatted product and the user indicates a desire to purchase the digitally formatted product, transmitting the remaining portion of the digitally formatted product to the mobile terminal.* However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is permitted to sample a non-encrypted portion of the score (Abstract). If the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include the teachings of Eller et al. This combination would add value to the subscription service by enabling subscribers to make a purchasing decision after sampling the digitally formatted product.

Lambert, Rothblatt and Foladare et al. do not expressly teach *wherein the user can access a preview portion of the at least a portion of the digitally formatted product, and if the transmitted at least a portion of the digitally formatted product does not comprise the entire digitally formatted product and the user indicates a desire to*

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purchase the digitally formatted product, transmitting the remaining portion of the digitally formatted product to the mobile terminal. However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is permitted to sample a non-encrypted portion of the score (Abstract). If the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include the teachings of Eller et al. This combination would enable users to sample a digitally-formatted product thereby promoting the sale of the digitally-formatted product.

Assuming, *arguendo*, neither Lambert nor Rothblatt teaches providing an offer at *predetermined time intervals and without user action*, Rakavy overcomes this ostensible deficiency. Rakavy discloses a method and system for transmitting advertisements over a network wherein advertisements are selected based on user-defined preferences, and transmitted to users when a low level of network traffic is detected. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert and Rothblat to include the teachings of Rakavy. Providing users with an offer at *predetermined time intervals and without user action* would provide a means of increasing advertising effectiveness since users will not be desensitized by a constant stream of advertising. Moreover, employing Rakavy's intermittent offer feature would enable the subscription system to make its offers to download music in between songs.

Lambert, Rothblatt, Foladare et al., Eller et al. and Rakavy do not expressly teach subscribing, by the user, to the on-line subscription service *by interacting with a subscription server on the Internet*. However, Excite@Home teaches subscribing for broadband cable Internet services over the Internet. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Foladare et al., Eller et al. and Rakavy to include the teachings of Excite@Home. Permitting users to subscribe *by interacting with a subscription server on the Internet* would increase user convenience by enabling users to register for the subscription service from any remote location having Internet access. Furthermore, performing registration online would enable users to access detailed service information and interactive tutorials.

Still regarding claims 10 and 12, Lambert, Rothblatt, Eller et al. Rakavy and Excite@Home do not expressly teach transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself. However, Foladare et al. teach providing a music service over a wireless network wherein users communicate with a central server, and receive digitally formatted music, via a digital radio wherein the wireless network comprises a cellular telephone network (Fig. 1; col. 3, lines 53-67). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Eller et al. Rakavy and Excite@Home to include transmitting, *via a cellular telephone network*, the offer to download the digitally formatted product, and the digitally formatted product itself as taught by Foladare et al. This combination would provide a widely available

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alternative network for implementing the digital radio service thereby avoiding the prohibitive costs associated with satellite communications.

Assuming, *arguendo*, Lambert, Rothblatt, Foladare et al., Rakavy and Excite@Home do not teach an offer to *download* a digitally formatted product, the disclosure of Eller et al. satisfies this deficiency. Eller et al. teach offering a digitally formatted product for downloading (col. 5, lines 38-65). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Foladare et al., Rakavy and Excite@Home to include the teachings of Eller et al. This combination would enable users to receive a copy of the digitally formatted product thereby enabling users to access the digitally formatted product whenever the user wishes to reproduce it.

Regarding claim 11, Lambert, Rothblatt, Foladare et al., Eller et al. Rakavy and Excite@Home teach all the limitations discussed under claims 10 and 12 under paragraph 16. Lambert, Rothblatt, Foladare et al., Rakavy and Excite@Home do not expressly teach *wherein the transmitted at least a portion of the digitally formatted product is the entire digitally formatted product, and the step of transmitting the offer and the at least a portion of the digitally formatted product comprises the step of transmitting a gateway lock to the mobile terminal, wherein although the user can access the preview portion of the digitally formatted product, the gateway lock prevents the user from accessing the remaining portion of the digitally formatted product.* However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is permitted to sample a non-encrypted portion of the score (Abstract). If

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the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Foladare et al., Rakavy and Excite@Home to include the teachings of Eller et al. This combination would add value to the subscription service by enabling users to sample the digitally formatted product making a purchasing decision.

Regarding claim 13, Lambert, Rothblatt, Foladare et al., Eller et al., Rakavy and Excite@Home teach all the limitations discussed under claim 11 under paragraph 16. Lambert, Rothblatt, Foladare et al., Rakavy and Excite@Home do not expressly teach the further step of *if the user indicates a desire to purchase the digitally formatted product, transmitting a decoding message for unlocking the gateway lock to the mobile terminal so that the user may access the entire digitally formatted product.* However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is permitted to sample a non-encrypted portion of the score (Abstract). If the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Foladare et al., Rakavy and Excite@Home to include the limitations recited in claim 13 as taught by Eller et al. This combination would enable users to sample the digitally formatted product before making a decision whether or not to buy it.

Regarding claim 14, Lambert, Rothblatt, Foladare et al., Eller et al., Rakavy and Excite@Home teach all the limitations claims discussed under claim 11 under paragraph 16. Lambert, Rothblatt, Foladare et al., Rakavy and Excite@Home do not expressly teach:

wherein the step of transmitting the offer and the at least a portion of the digitally formatted product further comprises the step of:

transmitting an access code to the mobile terminal, wherein the access code unlocks the remaining portion of the digitally formatted product, wherein the user uses the access code to indicate that the user wishes to purchase the digitally formatted product by unlocking the remaining portion of the product;

wherein the step of transmitting from the mobile terminal to the subscription server a response indicating whether the user wishes to purchase the digitally formatted product comprises the steps of:

transmitting a message to the subscription server notifying the subscription server either i) that the user has, or ii) that the user has not, unlocked the remaining portion of the digitally formatted product using the access code.

However, Eller et al. teach a method of distributing partially-encrypted musical scores wherein a user is permitted to sample a non-encrypted portion of the score (Abstract). If the user elects to purchase the encrypted score, the user provides payment information and is thereupon provided with a decryption key that permits the user to access the music score in its entirety (Id.). Information relating to the transaction is then stored in a database (col. 6, lines 36-40). At the time of Applicant's

invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt and Foladare et al. to include the limitations of claim 14 as taught by Eller et al. This combination would enable users to purchase a digitally formatted product after sampling it. Another benefit of the combination would be to provide a ledger for documenting the financial details of purchase transactions.

Regarding claim 15, Lambert, Rothblatt, Foladare et al., Eller et al., Rakavy and Excite@Home teach all the limitations discussed under claims 10 and 12 under paragraph 16. Lambert, Rothblatt, Eller et al., Rakavy and Excite@Home do not expressly teach *wherein the step of subscribing by the user comprises transmitting user-specific information, wherein the user-specific information comprises at least one of the capabilities of said mobile terminal, the preferences of the user, and other information related to the user*. However, Foladare et al. teach a method of subscribing to a music service wherein a user interacts with an Internet server to provide user-specific information, including a subscriber identification code (col. 2, lines 26-37; and col. 5, lines 39-54). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt, Eller et al., Rakavy and Excite@Home to include Foladare's teaching of *wherein the step of subscribing by the user comprises transmitting user-specific information, wherein the user-specific information comprises at least one of the capabilities of said mobile terminal, the preferences of the user, and other information related to the user*. This combination would provide the music subscription service with user identification information thereby enabling the subscription service to maintain the account activity of a plurality of users.

Regarding claim 21, Lambert, Rothblatt, Foladare et al., Eller et al., Rakavy and Excite@Home teach all the limitations noted in the preceding discussion of claim 15. Lambert, Rothblatt, Eller et al., Rakavy and Excite@Home do not expressly teach *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server.* However, Foladare et al. teach receiving user-specific information during a subscription process, and transmitting a digital product to a user via a digital radio (col. 2, lines 39-54; and col. 39-67). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Eller et al., Rakavy and Excite@Home to include a step *wherein the offer to download the digitally formatted product is sent to the subscribed user if the digitally formatted product corresponds to the user-specific information stored at the subscription server* in order to ensure that the user system is capable of supporting the digitally formatted product.

17. In the alternative, claim 19 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert, Rothblatt, Rakavy, Excite @Home, Foladare et al., Eller et al., and Comline.

Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. teach all the limitations discussed under claims 1 and 6 under paragraph 16. Lambert, Rothblatt, Foladare et al., Eller et al., Rakavy and Excite@Home do not expressly teach *wherein the mobile terminal comprises one of a palm-sized computer, a Personal Digital Assistant, and a cellular telephone.* However, Comline teaches downloading digital

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music via a cellular phone. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt, Foladare et al., Eller et al., Rakavy and Excite@Home to include *wherein the mobile terminal comprises one of a palm-sized computer, a Personal Digital Assistant, and a cellular telephone as taught by Comline.* The benefit of this combination would be to enable users to receive and utilized digitally formatted products on a mobile device.

18. In the alternative, claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Rakavy, Excite@Home, Eller et al., and Yuhn.

Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. teach all the limitations discussed under claims 1 and 6 under paragraph 16. Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. do not expressly teach *wherein if the user accepts the offer to download the digitally formatted product, implementing the further step of determining whether the mobile terminal is capable of presenting the downloaded digital product, and if so presenting the digitally formatted product, and if the mobile terminal is incapable of presenting the downloaded digital product, transferring the digitally formatted product to a player capable of presenting the digitally formatted product.* However, Yuhn teaches performing a system compatibility check prior to transmitting a multimedia data packet to a media terminal (col. 5, lines 1-34; and col. 6, lines 15-21). Yuhn states the benefit of its compatibility check is to insure that the multimedia transmission is played back properly. Thus, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to

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modify Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. to include the teachings of Yuhn in order to insure that the digitally formatted product purchased by the user is capable of being played back properly.

19. In the alternative, claim 3 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al., Yuhn and Motorola.

Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al. and Yuhn teach all the limitations discussed under claim 2 under paragraph 18. Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al. and Yuhn do not expressly teach *the method of claim 2, wherein the digitally formatted product is transferred using the Bluetooth protocol, wherein the player capable of presenting the downloaded digitally formatted product comprises one of an electronic book, an audio player, and a multimedia player.* However, Motorola teaches transmitting music between home and mobile electronics using Bluetooth protocol. According to Motorola's teachings, Bluetooth technology permits data transmission without connecting cables or wires. Therefore, at the time of Applicants invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al. and Yuhn to include the teachings of Motorola. This combination would permit the digitally formatted product to be received by a mobile unit capable free of the restriction associated with cables and wires.

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20. In the alternative, claim 22 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Rakavy, Foladare et al., Eller et al., Yuhn and Sachs et al.

Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al. and Yuhn teach all the limitations discussed under claim 2 under paragraph 18. Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al. and Yuhn do not expressly teach *the method of claim 3 wherein the transferred digitally formatted product comprises at least one of text and JPEG image data, and the player comprises a smart display, the method further comprising the step of viewing by the user, one or more pages n the smart display as the user depresses sequentially a signaling switch thereon to cause transfer of additional data to the smart display for viewing by the user.* However, Sachs et al. teach an electronic publication distribution system wherein a portable viewer downloads a publication and thereupon enables a user to flip through pages of the publication through the activation of an icon. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al. and Yuhn to include the teachings of Sachs et al. This combination would enable the subscription service to distribute electronic publications such as newspapers and magazines.

21. In the alternative, claims 4 and 7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al., and Barber.

Regarding claim 4, Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. teach all the limitations discussed under claims 1 and 6 in paragraph 16. The combination of Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and does not expressly teach the method of claim 16, *wherein the user-specific information comprises financial information concerning how the user pays for the digitally formatted product.* However, Eller et al. disclose a system and method for distributing digital products on a pay-per-view basis wherein users pay for the digital products by accessing a previously established server institution payment account (col. 6, lines 19-25). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Rakavy, Excite@Home and Foladare et al. to include a step *wherein the user-specific information comprises financial information concerning how the user pays for the digitally formatted product* as taught by Eller et al. This combination would eliminate the burden of having users enter payment information each time a digitally formatted product is purchased.

Further regarding claim 4, Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. do not expressly teach the method of claim 16, *wherein the step of transmitting the offer to download the digitally formatted product comprises: transmitting information related to the digitally formatted product, wherein the information related to the digitally formatted product comprises a price of the digitally formatted product.* However, Barber teaches this limitation through its disclosure of a system for distributing digitally formatted products on a pay-per-view basis wherein product information, including pricing for digitally formatted products, is displayed to a user (col.

3, lines 19-45). Moreover, the Examiner notes that each of Lambert, Rothblatt and Foladare et al. teach selling digitally formatted products. Thus, each of these references at least suggests modifying its teachings to include Barber's teaching of providing a price for a digitally formatted product. Therefore, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. to include the teachings of Barber in order to communicate a binding offer for the sale of digitally formatted products.

Regarding claim 7, Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. teach all the limitations discussed under claim 18 under paragraph 16. Lambert, Rothblatt, Rakavy, Excite@Home and Foladare et al. do not expressly teach a step *wherein the user specific information comprises information relating to how the user is to pay for the digitally formatted product*. However, Eller et al. disclose a system and method for distributing digital products on a pay-per-view basis wherein users pay for the digital products by accessing a previously established server institution payment account (col. 6, lines 19-25). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Rakavy, Excite@Home and Foladare et al. to include a step *wherein the user specific information comprises information relating to how the user is to pay for the digitally formatted product* as taught by Eller et al. This combination would eliminate the burden of having users enter payment information each time a digitally formatted product is purchased.

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Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. do not expressly teach the system of claim 18, *wherein the means for transmitting the offer to download a digitally formatted product also transmits information related to the digitally formatted product with the offer and the information related to the digitally formatted product comprises a price of the digitally formatted product.* However, Barber teaches this limitation through its disclosure of a system for distributing digitally formatted products on a pay-per-view basis wherein product information, including pricing for digitally formatted products, is displayed to a user (col. 3, lines 19-45). Moreover, the Examiner notes that each of Lambert, Rothblatt and Eller et al. teach selling digitally formatted products. Thus, each of these references at least suggests modifying its teachings to include Barber's teaching of providing a price for a digitally formatted product. Therefore, at the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. to include the teachings of Barber as this combination would communicate a binding offer for the sale of a digitally formatted product.

Still regarding claim 7, Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Barber do not expressly teach a *means for charging the user the price of the digitally formatted product when downloaded by the user.* However, Eller et al. teaches a system for distributing digitally formatted products over a communication network, including a means for processing payment information (col. 6, lines 35-41). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Barber to

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include a *means for charging the user the price of the digitally formatted product when downloaded by the user* as this combination would provide a means for processing user payment information in connection with a pay-per-listen music service.

22. In the alternative, claim 23 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lambert in view of Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller et al. and Adweek.

Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al., Eller and Adweek teach all the limitations discussed under claim 1. Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. do not expressly teach *the method of claim 1, further comprising the step of transmitting to at least one selected mobile terminal of a non-member of the subscription service, via a cellular telephone network and without action by the non-member, an offer to register with the subscription service*. However, Adweek teaches offering consumers free videos in exchange for signing up for a programming service. At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rothblatt, Rakavy, Excite@Home, Foladare et al. and Eller et al. to include *transmitting to at least one selected mobile terminal of a non-member of the subscription service, via a cellular telephone network and without action by the non-member, an offer to register with the subscription service*. This combination would increase revenue by providing users with an incentive to sign up for the subscription service.

Lambert, Rakavy, Excite@Home, Foladare et al. Eller et al. and Adweek do not expressly teach transmitting an offer to register with the subscription service including at

least one of i) a list of digitally formatted products, and ii) at least a portion of one digitally formatted product. However, Rothblatt teaches transmitting a list of digitally formatted products (p. 4). At the time of Applicant's invention, it would have been obvious to one of ordinary skill in the art, to modify Lambert, Rakavy, Excite@Home, Foladare et al. Eller et al. and Adweek to include an offer to register with the subscription service including *at least one of i) a list of digitally formatted products, and ii) at least a portion of one digitally formatted product.* This combination would encourage sales by providing users with an indication of those products the users can obtain for free if they sign up for the subscription service.

Response to Arguments

Many of Applicant's arguments are moot based upon new grounds of rejection. For example, the present Office action does not cite Official Notice in rejecting the claims. To the extent Applicant's arguments are relevant to the present Office action, the Examiner responds as follows.

Applicant argues the Examiner has misconstrued the teachings of Lambert. In particular, The Applicant points out Lambert discloses three different "stories" (Paper No. 7, pp. 12-13). Assuming Applicant is suggesting Lambert teaches three different embodiments of network technology, the Examiner notes the present Office action only relies on the first embodiment disclosed by Lambert. The following discussion of Lambert depends on this construction.

Applicant also argues neither Lambert nor Foladare et al. teach or suggest the use of two different communication networks as required by claim 1. However, the

Examiner notes claim 1 does not require two different communication networks. Giving claim 1 its broadest reasonable interpretation, it appears the cellular telephone network may support the user's interaction with the subscription server on the Internet, as well as the communication with the mobile terminal. Simply reciting "interacting with a subscription server on the Internet" does not exclude this step from being performed over a cellular telephone network. Indeed, many cellular telephones have Internet access. Furthermore, Applicants admit "the subscription may have a direct connection with the cellular telephone network . . ." Paper No. 7, p. 14. Thus, it is clear claim 1 does not require two different communication networks. Applicant's argument that neither Lambert nor Foladare et al. two different communication networks is therefore moot.

Applicant distinguishes his invention from the prior art by noting the means for connecting the subscription server and the cellular telephone network is "indeterminate." Paper No. 7, p. 14. Applicant also states claim 1 may be directed to several possible communication means for connecting the subscription server to the cellular telephone network (see *Id.*). Thus, it appears claim 1 does not particularly point out and distinctly claim Applicants' invention. Therefore, claim 1 is rejected under 35 U.S.C. 112, second paragraph as noted *supra*.

Applicant argues Lambert, Foladare et al. and the invention of claim 1 each relate to a different form of subscription service. The Examiner respectfully disagrees. First, the Examiner notes Lambert and Foladare et al. are equally directed to a subscription service for providing music via a digital network (see Lambert, p. 1 and

Foladare et al. at Abstract). Furthermore, given its broadest reasonable interpretation, claim 1 could similarly be directed to a subscription service for providing music over a digital network. For example, claim 1 recites "a method of providing an on-line subscription service" for a "digitally formatted product." Thus, claim 1, like Lambert and Foladare et al., is at least directed to a subscription service for providing music via a digital network.

Applicant argues claim 1 is distinguishable from the prior art because it is directed to a virtual book of the book-of-the-month club. However, the Examiner notes claim 1 fails to recite a book-of-the-month club or any other similar limitation. Thus, Applicant's argument that the prior art fails to teach a book-of-the-month club is moot.

Applicant argues the combination of Lambert, Foladare et al. and Official Notice fail to teach the subscribing, offering, responding and downloading steps of claim 1. As to the subscribing, offering and responding steps, Applicant's arguments are moot in view of the new ground of rejection. As to the downloading step, the Examiner respectfully disagrees.

Applicant states "[c]laim 1 of the present application recites downloading a digitally formatted product . . ." Paper No. 7, p. 16. However, claim 1 fails to recite any affirmative downloading step. Rather, claim 1 simply recites "transmitting via the cellular telephone network the digitally formatted product . . ." While the digitally formatted may be transmitted in connection with an offer to download, the digitally formatted product is never actually downloaded. Therefore, Applicant's argument that Lambert fails to teach downloading a digitally formatted product is moot.

The rejection of claims 6 and 10 rely on the combination of Lambert and Foladare et al. as used in the rejection of claim 1. Thus, the preceding discussion of Lambert and Foladare et al. applies to the rejection of claims 6 and 10 as well.

Regarding claims 16 and 17, Applicant argues the combination of Lambert and Foladare et al. does not suggest transmitting to the subscription server user-specific information that may include capabilities of the mobile terminal. However, the Examiner notes claims 16 and 17 are not limited to just user-specific information relating to the capabilities of the mobile terminal. Rather, claims 16 and 17 recite "transmitting user-specific information . . . wherein the user specific information comprises . . . the preferences of the user, and other information related to the user." Moreover, modifying Lambert and Foladare et al. to offer users pay-per-listen music based upon personalized music preference profiles. Therefore, the combination of Lambert and Foladare suggests transmitting to the subscription server the user-specific information recited in claims 16 and 17.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Tim Brown whose telephone number is (703) 305-1912. The examiner can normally be reached on Monday - Friday, 8am - 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on (703) 308-1344. The fax phone numbers for the organization where this application or proceeding is assigned are (703) 305-7687 for regular communications and (703) 305-7687 for After Final communications.

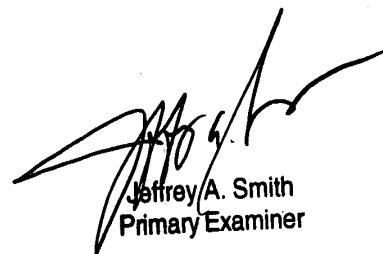
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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

Tim Brown
Reg. No. 48,069
Examiner
Art Unit 3625

TB
August 16, 2003



Jeffrey A. Smith
Primary Examiner